



State Revolving Fund Loan Programs **FACT SHEET**

Drinking Water, Wastewater, Nonpoint Source

GREEN PROJECT RESERVE SUSTAINABILITY INCENTIVE

What is the SRF Green Project Reserve (GPR) Sustainability Incentive?

The State Revolving Fund (SRF) Loan Program has a sustainability incentive for communities to include “green” project components in their SRF projects. Green projects include sustainable green infrastructure, water or energy efficiency measures or are environmentally innovative solutions. Based on the type and cost of the green component, a community may be eligible for improved ranking on the SRF Project Priority List as well as an interest rate break up to 0.5 % on its SRF Loan. The SRF Loan Program is required by the United States Environmental Protection Agency to allocate, or reserve, at least 20% of our capitalization grant to green projects, which is the Green Project Reserve (GPR). **All GPR projects, components and activities must be eligible for SRF funding.**

Who is eligible for the GPR?

Eligible Wastewater and Drinking Water SRF Loan Program participants include cities, towns, counties, regional sewer and/or water districts, conservancy districts and water authorities. Additionally, private and not-for-profit drinking water facilities are eligible for the DWSRF Loan Program GPR sustainability incentive.

How does a participant begin the SRF GPR Sustainability Incentive process?

Submit an SRF Loan Program application and GPR Checklist to the appropriate SRF administrator.

What are the requirements for the SRF GPR Sustainability Incentive?

GPR projects will follow the same process as SRF Loan Program projects and, in addition, are required to:

1. As part of the preliminary engineering report (PER), provide:
 - a. Description of the project or components that qualify toward the GPR.
 - b. Description of how the project will incorporate/meet the intent of each proposed GPR category.
 - c. Cost associated with the GPR project or component. Include both construction and planning and design costs, but provide separately.
 - d. Documentation for the project’s qualification toward the GPR. Documentation will vary depending on the project. Projects clearly eligible for the GPR are categorically eligible projects (See GPR Checklist). Projects not found to be categorically eligible will need additional information in the form of a business case(s). A business case provides a well-documented justification for a project to be considered a GPR project. The SRF Loan Program must review all business cases to determine GPR eligibility and post them to the SRF Web site by the end of the quarter in which the loan is made. The GPR Guidance provides information on categorically eligible projects and those requiring a business case.
 - e. If needed, provide an updated copy of the GPR Checklist and cost update.
 - f. Submittal of business case, if necessary.
2. At bidding, incorporate all the proposed GPR components identified in the approved PER in the Contract Documents plans and specifications. Complete the GPR section of the SRF Front-end Certification.
3. Submit GPR Completion Certificate at project completion date with the final contractor disbursement request. The contractor’s final disbursement request will not be processed until the GPR Completion Certificate is received.

When is a participant notified about its GPR Sustainability Incentive interest rate discount?

The GPR interest rate discount determination is made at the SRF loan closing. An estimated discount rate can be provided to participants after the SRF Loan Programs reviews the PER.

What happens if the project includes both non-point source and GPR components?

The GPR and non-point source components both will be evaluated to achieve the maximum interest savings over the entire loan, but the combined interest rate discount will not exceed 0.5%.

What happens if the GPR components are removed from a project after loan closing?

If a participant does not implement the GPR components for which it received an interest rate discount, the interest rate will be re-adjusted. The implementation of the GPR components will be verified via SRF Loan Program site inspections and submission of the GPR Completion Certificate.

Where can I get more information about the GPR Sustainability Incentive?

For more information or for contact information, please visit the SRF Web site at www.srf.in.gov. Contact the appropriate SRF Program Administrator with questions.